GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2214
ANSWERED ON:10.03.2006
FAKE CREDIT CARD
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Will the Minister of FINANCE be pleased to state:

(a) whether many fake credit card rackets have been busted during the last three years;

(b) if so, the details thereof; and

(c) the steps taken to provide foolproof system in credit card dealings?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) & (b) Yes, Sir. The details of frauds perpetrated using fake credit cards, as reported by the banks to Reserve Bank of India (RBI) during the last three years are as under:-

Name of the Bank	No. of instances	Amount involved (Rs. in lakh)
HSBC Ltd.	27	41.04
Standard Chartered Bank	7	11.31
SBI Cards & Payment Services Pvt. Ltd.	5	9.36
HDFC Bank	8	14.07
ICICIBank	7	11.26
Andhra Bank	1	19.50

(c) Reserve Bank of India has advised banks to set up internal control systems to combat frauds committed at application stage and through misuse of lost / stolen, counterfeit / altered credit cards. RBI has issued guidelines on credit sard operations on 21.11.2005 advising the banks to fulfill `Know Your Customer (KYC)` requirements, assessing credit risk of customers, specifying terms and conditions in a transparent manner, etc.